

## Message Text

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11

ACTION EA-07

INFO OCT-01 ISO-00 XMB-07 EB-05 RSC-01 DRC-01 /022 W

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R 020251Z JUL 74

FM AMEMBASSY SEOUL

TO USDOC WASHDC

INFO SECSTATE WASHDC 4613

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FOR EXIMBANK

E.O. 11652: N/A

TAGS: BEXP, BPRO, EIND, KS

SUBJ: UNION CARBIDE INVESTMENT APPLICATION

REFERENCE: SEOUL 3478

1. UNION CARBIDE (UC) MADE APPLICATION TO ECONOMIC PLANNING BOARD (EPB) ON SATURDAY, JUNE 29, SEEKING EPB APPROVAL OF U.C. JOINT VENTURE INVESTMENT IN LARGE OXYGEN PLANT. PLANS CALL FOR AN \$8 MILLION CREDIT (FROM EXIMBANK OR U.S. COMMERCIAL BANKS) AND A \$4 MILLION EQUITY INVESTMENT FROM U.C. AND THE TWO KOREAN PARTNERS, YUHAN CORPORATION (PHARMACEUTICALS) AND CHUN, TAIK-BO, A PROMINENT KOREAN BUSINESSMAN.

2. EPB HAS BEEN CONSIDERING SEVERAL JOINT VENTURE APPLICATIONS FOR OXYGEN PLANTS AND, UPON EMBASSY REQUEST, HAS HELD DOOR OPEN FOR PAST MONTH SO U.C. COULD SUBMIT THEIR APPLICATION.

3. PRINCIPAL COMPETITION (REPORTED REFTTEL) IS FRENCH FIRM, L'AIR LIQUIDE, WITH THREE APPLICATIONS THROUGH THREE SUBSIDIARY FIRMS. ONLY ONE FRENCH APPLICATION (ONE WAS APPROVED BY EPB AND ONE WAS DROPPED) IS NOW COMPETING WITH UC.

4. FRENCH CREDIT TERMS ARE VERY COMPETITIVE, PROVIDING \$5.5 MILLION AT 7.5 PERCENT OVER SEVEN YEARS WITH NO DOWNPAYMENT AND A 2.9-YEAR GRACE PERIOD. THE L'AIR LIQUIDE APPLICATION IS BEING

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MADE THROUGH THEIR REPRESENTATIVE, EISENBERG COMPANY.

5. THIS WILL BE U.C.'S FIRST INVESTMENT IN KOREA AND IS IN DIRECT SUPPORT OF PLANNED EXPANSION OF KOREAN STEEL AND SHIPBUILDING INDUSTRY. EMBASSY IS MAKING REPRESENTATION AT HIGH LEVELS ON BEHALF OF U.C. APPLICATION. WORD FROM EPB ON U.C. APPLICATION SHOULD BE FORTHCOMING IN TWO OR THREE WEEKS AT MOST.

HABIB

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OXYGEN, JOINT VENTURES, INVESTMENTS, INDUSTRIAL PLANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** shawdg  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974SEOUL04236  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740174-1004  
**From:** SEOUL  
**Handling Restrictions:** n/a  
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**Legacy Key:** link1974/newtext/t19740780/aaaacqwd.tel  
**Line Count:** 68  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** SEOUL 3478  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** shawdg  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 06 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <06-Aug-2002 by kelleyw0>; APPROVED <19 FEB 2003 by shawdg>  
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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNION CARBIDE INVESTMENT APPLICATION  
**TAGS:** BEXP, BPRO, EIND, KS, US, UNION CARBIDE  
**To:** COM  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005